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Tokyo Supports Soviet Independence Movement . . . Cautiously

A little more than a year after Iraq invaded Kuwait Tokyo again faced an international crisis against which Japan's willingness to assume global leadership responsibility was measured. The August 19 attempted coup d'etat by Soviet communist hard-liners and its collapse three days later afforded the Japanese government an opportunity to rectify the country's image of a reactive, self-centered power -- an image, some critics say, that Japan began to develop with the 1979 American hostage crisis in Iran and which it failed to shake with its too little, too late handling of the more recent Middle East conflict. In the latest crisis most international commentators credit Japan with quickly closing ranks with its Western allies by suspending economic assistance to the Soviet Union and questioning the legality of the uprising.

Prime Minister Toshiki Kaifu's hesitancy about condemning outright the seizure of power by the eight-member State Committee for the State of Emergency drew fire within Japan, however, as the response of a "small country" that is not a significant player on the world stage. While some of this criticism had political motivations -- its chief sources were contenders for Mr. Kaifu's job -- the spate of editorials and media attacks on the Japanese government's

Trade and Payments Data

(in millions of dollars unless otherwise indicated)

	1989	1990	January-June 1990	January-June 1991	April 1991	May 1991	June 1991
Japan's Balance of Payments							
Trade Balance	$76,917	$63,528	$28,007	$43,723*	$8,226*	$5,486*	$9,282*
Exports (f.o.b.)	269,570	280,374	130,970	146,921*	23,423*	23,752*	24,768*
Imports (f.o.b.)	192,653	216,846	102,963	103,198*	15,197*	18,266*	15,486*
Current Account Balance	57,157	35,761	20,197	28,931*	7,772*	4,274*	6,625*
Long-Term Capital (net)	-89,246	-43,586	-35,071	3,776*	1,091*	-7,689*	-333*
Overall Balance	-33,286	-7,234	-8,003	7,444	-784	-939	1,038
International Reserves (end of period)	84,895	77,053	73,649	67,892	67,935	68,168	67,892
Japan's Customs Clearance Trade							
Trade Balance	64,328	52,149	25,599	32,314	6,324	4,184	7,242
Exports (f.o.b.)	275,175	286,948	133,936	150,387	24,110	24,463	25,431
Cars	38,804	41,348	19,759	21,450	3,258	3,116	3,276
Steel	14,789	12,509	5,882	6,645	1,113	1,196	1,144
Imports (c.i.f.)	210,847	234,799	108,337	118,073	17,786	20,279	18,189
Crude Oil	21,544	31,584	12,375	15,438	957	1,985	1,901
Manufactured Products	106,111	118,028	55,180	59,033	9,919	10,403	9,283
Japan-U.S. Trade							
Trade Balance	44,943	37,954	16,985	15,940	2,271	1,943	2,649
Exports (f.o.b.)	93,189	90,322	42,599	42,633	6,500	6,760	7,049
Imports (c.i.f.)	48,246	52,369	25,614	26,694	4,229	4,817	4,401
Yen-Dollar Exchange Rate (average for period)	Y137.96	Y144.79	Y151.58	Y136.08	Y137.10	Y138.00	Y139.79
U.S. Trade							
Trade Balance	-109,399	-101,718	-42,469	-24,709*	-3,419	-3,986	-4,081*
Exports (f.a.s.)	363,812	393,592	198,223	210,326*	36,110	36,136	35,450*
Imports (Customs)	473,211	495,311	240,691	235,035*	39,529	40,121	39,531*
U.S.-Japan Trade							
Trade Balance	-49,059	-41,105	-19,710	-19,206*	-3,348	-2,432	-3,231*
Exports (f.a.s.)	44,494	48,580	23,499	24,446*	3,908	4,256	3,959*
Imports (Customs)	93,553	89,684	43,209	43,652*	7,256	6,688	7,190*

*Preliminary

STATISTICAL SUPPLEMENT

Japanese Economic Indicators

(percent change from year-earlier period unless otherwise indicated)

	1989	1990	January-June 1990	January-June 1991	April 1991	May 1991	June 1991
Discount Rate (end of period)	4.25%	6.0%	5.25%	6.0%	6.0%	6.0%	6.0%
Outstanding Money Supply	9.9%	11.7%	12.3%	4.9%*	3.8%	3.6%	3.7%*
Industrial Production	6.1%	4.6%	2.6%	4.4%	3.8%	4.3%	1.1%
Manufacturing Operating Rate	2.2%	2.3%	0.8%	0.7%	0.7%	0.3%	-2.8%
Number of Bankruptcies	-28.5%	-10.6%	-25.5%	60.2%	58.9%	77.8%	74.8%
Residential Construction Starts	-1.3%	2.7%	4.3%	-16.7%	-18.9%	-22.1%	-21.6%
Job Openings to Applications (ratio)	1.26	1.40	1.38	1.45	1.46	1.44	1.43
Nominal Wages	4.1%	4.7%	4.7%	3.6%	3.9%	3.9%	3.7%
Manufacturing Labor Productivity	6.2%	4.2%	2.2%**	6.1%**	n.a.	n.a.	n.a.
Wholesale Prices	2.5%	2.0%	2.7%	1.0%	0.1%	0.6%	0.6%
Consumer Prices	2.3%	3.1%	2.9%	3.8%	3.7%	3.4%	3.6%
Yen-Based Export Prices	4.4%	2.1%	6.0%	-4.9%	-7.1%	-5.2%	-4.6%
Yen-Based Import Prices	7.7%	8.6%	10.2%	-3.4%	-9.4%	-7.8%	-6.0%

*Preliminary.
**Through March of each year only.

For Japan's latest GNP figures, see JEI Report No. 24B, June 28, 1991.

NOTE

ONLY THE FOLLOWING PAGES OF THIS

PUBLICATION HAVE BEEN FILMED

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